

## Message Text

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ORIGIN EB-07

INFO OCT-01 ISO-00 /008 R

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DRAFTED BY: EB/NLPAZDRAL:DLS

APPROVED BY: EB:NLPAZDRAL

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O 280123Z JUN 75

FM SECSTATE WASHDC

TO AMEMBASSY LONDON IMMEDIATE

AMEMBASSY ROME

UNCLAS STATE 152387

LONDON FOR DEPUTY ASSISTANT SECRETARY KATZ

ROME FOR ASSISTANT SECRETARY ENDERS

FOLLOWING REPEAT SANA 1516 ACTION SECSTATE 17 JUN

QUOTE

UNCLAS SANA 1516

AIDAC

E.O. 11652: N/A

TAGS: N/A

SUBJ: LARG REQUEST FOR PL 480 TITLE I PROGRAM

1. ON MAY 21, YARG FOREIGN MINISTRY, FOLLOWING INFORMAL REPRESENTATIONS

TO AMBASSADOR AND USAID DIRECTOR RUIZ, SENT EMBASSY DIPLOMATIC NOTE INQUIRING INTO POSSIBILITIES FOR A PL 480 TITLE II PROGRAM FOR YAR. FONMIN NOTE CONTAINS ASSURANCE THAT PROGRAM WOULD NOT AFFECT NORMAL MARKET CONDITIONS.

2. SUBSEQUENT EMBASSY CONTACTS WITH FONMIN HAVE NOT BEEN SUCCESSFUL FELICITING APPROXIMATE YEARLY AMOUNT DESIRED, UNCLASSIFIED

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ALTHOUGH IT WAS POINTED OUT TO FONMIN UNDER SECRETARY THAT WE WOULD

NEED AT LEAST APPROXIMATE FIGURE IN ORDER TO OBTAIN USG AGREEMENT "IN PRINCIPLE".

3. RECENT FURTHER CONTACT WITH MINSUPPLY TO OBTAIN DATA ON TRADITIONAL EXPORTS TO YAR SUGGESTS, HOWEVER, THAT REQUESTED PROGRAM WOULD BE IN NEIGHBORHOOD 50,000 TO 100,000 METRIC TONS, MOST LIKELY TOWARDS LOWER END THIS RANGE.

4. EMBASSY AND USAID BELIEVE THAT TITLE I PROGRAM WOULD BE BENEFICIAL TO YAR. IN PARTICULAR IT COULD BE USED TO FINANCE STRONG LOCAL DEMAND FOR SELF-HELP PROJECTS THROUGH CONFEDERATION OF YEMENI DEVELOPMENT PROGRAMS. SINCE WHEAT CAN BE SOLD, IT WOULD BE A GOOD VEHICLE FOR ASSISTANCE TO MANY CAPITAL STARVED SELF-HELP PROJECTS. FURTHERMORE IT WOULD GREATLY HELP TO STABILIZE LARGE FLUCTUATIONS IN LOCAL MARKET DUE TO INABILITY INEXPERIENCED YAR TO PLAY WORLD MARKETS SUCCESSFULLY. WE BELIEVE THAT PRESENT REGIME, WHICH IS DETERMINED TO DISTRIBUTE FOOD AID FAIRLY AND WITH MAXIMUM SELF-HELP BENEFIT, WOULD BE WILLING AND ABLE TO MANAGE PROGRAM SUCCESSFULLY.

5. IT DOES NOT APPEAR THAT USUAL MARKETING REQUIREMENTS WOULD PRESENT ANY GREAT PROBLEM. YAR HAS TENDED TO JUMP FROM ONE SUPPLIER TO ANOTHER IN HOPE OF A BETTER DEAL. SOVIET UNION WAS LARGEST SUPPLIER THIS PAST YEAR. AUSTRALIA IN PAST SUPPLIED WHEAT ON RELATIVELY REGULAR BASIS TO YAR BUT HAS NOT DONE SO FOR OVER TWO YEARS. CANADA AND ARGENTINA HAVE BEEN PURELY SPORADIC SUPPLIERS.

6. REQUEST INITIAL USAID/W REACTION TO THIS REQUEST.  
SCOTES  
UNQUOTE INGERSOLL

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PL 480 TITLE 1, PROGRAMS (PROJECTS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 28 JUN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE152387  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** EB/NLPAZDRAL:DLS  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Office:** ORIGIN EB  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** LARG REQUEST FOR PL 480 TITLE I PROGRAM  
**TAGS:** EAID, UK  
**To:** LONDON ROME  
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